REPLY BRIEF TRANSMITTAL LETTER

December 4, 2008

MAIL STOP APPEAL BRIEF - PATENTS
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Re: Appellants: Altweis et al.
       Assignee: ZiLOG, Inc.
       Title: "Method and System for Electronic Data Sales and Distribution Over Wide Area Computer Networks"
       Serial No.:   09/654,858   Filed: September 5, 2000
       Examiner: Firmin Backer   Art Unit: 3621
       Atty. Docket No.:   ZIL-314

Dear Sir:

Transmitted herewith are the following documents:
(1) Reply Brief (10 pages);
(2) Return Postcard; and
(3) This transmittal sheet.

☒ No additional Fee is required.
☐ The fee has been calculated as shown below:

CLAIMS AS AMENDED						
	REMAINING AFTER AMENDMENT		HIGHEST NO. PREVIOUSLY PAID FOR	EXTRA CLAIMS PRESENT	RATE	ADDITIONAL FEE
TOTAL CLAIMS	19	minus	21	0	$52	$0.00
INDEP. CLAIMS	3	minus	3	0	$220	$0.00
Total Additional Claim Fees						$0.00
Fee for Appeal Brief [§41.20(b)(2)]						$0.00
Fee for Request for Oral Hearing [§41.20(b)(3)]						$0.00
Fee for Extension of Time (__ month) [§1.17(a)(1)]						$0.00
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By _Darien K. Wallace_
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Date of Deposit: December 4, 2008

Respectfully submitted,

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appellants: Altweis et al.

Assignee: ZiLOG, Inc.

Title: "Method and System for Electronic Data Sales and Distribution Over Wide Area Computer Networks"

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REPLY BRIEF

This Reply Brief is filed pursuant to 37 CFR § 41.41 in response to an Examiner's Answer Brief mailed on October 17, 2008.

I. STATUS OF CLAIMS

The application at issue, filed on September 5, 2000, included 17 claims. In various amendments, claims 18-26 were added, and claims 6-9, 13-14 and 26 were canceled. An original appeal was remanded because claim 26 had not been addressed. Claim 26 was canceled in an amendment filed pursuant to MPEP §1206 that accompanied the appeal brief filed in this appeal on August 4, 2008. Claims 1-5, 10-12 and 15-25 are the subject of this Appeal. The latest version of the claims is contained in the claims appendix to the appeal brief.

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II. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The following are grounds of rejection to be reviewed on appeal:

1) Claims 10-12 and 14-25 stand rejected under 35 USC §102(e) as being anticipated by Biddle *et al.* (US Patent Application Publication No.: 2002/0107809 A1).

2) Claims 1-5 stand rejected under 35 USC §103(a) as being unpatentable over Biddle *et al.* in view of Hayes *et al.* (US Patent Application Publication No. 2001/0011341).

III. ARGUMENT

The Board remanded the original appeal and instructed the Examiner to state the grounds of rejection of claim 26. Thereupon, the Examiner reopened prosecution and rejected claim 26. Appellants then reinstated the appeal and canceled claim 26 in an amendment under MPEP §1206 that accompanied the second appeal brief. Thus, the arguments in the original appeal brief were substantially similar to the arguments in the second appeal brief, but for the arguments relating to claim 26. And because the Examiner failed to address claim 26 in the original Examiner's Answer, the Examiner's Answer dated August 8, 2008, is substantially identical to the original Examiner's Answer dated April 19, 2007. Consequently, the arguments in this Reply Brief reflect the arguments submitted with the original Reply Brief on June 19, 2007, except for reference to claim 26.

A. Claims 10-12 and 15-25 (1st ground of rejection)

In a final Office Action dated March 25, 2005 (the "Office Action") and in a non-final Office action dated June 24, 2008, the Examiner rejected claims 10-25 under 35 USC §102(e) as being anticipated by Biddle *et al.* Claims 10 and 18 are independent. Claims 13-14 were canceled before the Office Action.

i. Independent claim 10.

Independent claim 10 recites, "said <u>distribution of</u> one said <u>program module</u> is <u>responsive to the prior execution of</u> one said <u>licensing module</u> on one said customer terminal computer" (emphasis added). Biddle does not disclose distributing a program module in response to the prior execution of a licensing module on a customer computer. The Examiner has not established a *prima facie* case of anticipation because the Examiner has not stated where Biddle discloses <u>distributing</u> a program module <u>in response to the prior execution</u> of a licensing module. In fact, the Examiner admits that Biddle discloses distributing an application <u>before</u> executing a license.

In the Examiner's Answer dated August 8, 2008, the Examiner presents a "map chart" of the "broadest claim 10". On page 13, the Examiner admits that Biddle discloses distribution of an application <u>before</u> a user obtains a license. The Examiner characterizes Biddle as follows:

> "<u>After downloading</u> and installing the <u>application</u>, user 30 has the option of <u>obtaining a license for the application</u>, for example, either in the form of a free trial period, by purchasing a subscription, or purchasing a long-term license (step 128)." (Examiner's Answer, p. 13, right column, lines 20-25) (emphasis added) (quoting from Biddle, paragraph 0054)

Appellants agree with the Examiner that Biddle discloses distribution of an application <u>before</u> a user obtains a license. Biddle also states, "A user may . . . download a desired software application. The first time the user runs the software application <u>after installation</u>, the user is prompted to provide registration information to <u>obtain a license</u>" (Biddle, paragraph 0017) (emphasis added).

In the Examiner's response to Appellants' arguments, the Examiner does not rebut the fact that the distribution of the application in Biddle occurs <u>before</u> the user obtains a license. The Examiner's explanation of the disclosure of Biddle (Examiner's Answer, p. 10, line 8 – p. 11, line 4) does not address the recited limitation of distributing a program module in response to the prior execution of a licensing module. The Examiner's explanation of Biddle's ability to configure a desktop "so as *presumably to be able to access an application on the server when, in fact, the user does not have system permission to access the application*" does not state that Biddle discloses the recited limitation of claim 10. (Examiner's Answer, p. 10, lines 9-11) (emphasis in original).

In Biddle, the software is first downloaded, and then the user obtains a license, whereas claim 10 recites that the distribution of a program module is responsive to the prior execution of a licensing module. Because the downloading of the application in Biddle is in the opposite order to that recited in claim 10, the rejection of claim 10 should be overruled.

In the Examiner's Answer, the Examiner for the first time states that functional language recited in claim 10 is optional and does not narrow the claim because it can be omitted for purposes of claim construction. (See Examiner's Answer, p. 11, lines 17-20). For example, the Examiner points to the claim language "an e-commerce site for" as denoting functional language that does not narrow the claim. While the Appellants do not agree that functional language necessarily renders a claim limitation "optional or conditional", the Appellants here state that the claim limitation discussed above that distinguishes claim 10 from Biddle is neither optional nor conditional.

Claims 11-12 and 15-17 depend directly or indirectly from claim 10 and are allowable for at least the same reasons for which claim 10 is allowable.

ii. Independent claim 18.

The rejection of claim 18 should be overruled because the Examiner has not shown that Biddle discloses either (a) a program module comprising executable software code, or (b) storing a licensing module and a program module at different locations. Claim 18 recites, "the program module consisting of a portion of the software product that is not customized for the distributor or group of distributors, the program module comprising executable software code, storing the configured licensing module at a first software distribution point so that it may be downloaded by a user, and storing the program module at a location other than the first software distribution point" (emphasis added).

Biddle does not disclose that the "license" of paragraph 0054 comprises executable software code. The user in Biddle simply "obtains" a license. The passages of Biddle cited by the Examiner in the Office action dated March 25, 2005, (paragraphs 0055, 0058, 0059, 0062, 0065 and 0066) do not disclose the recited program module containing executable software code. (See Office Action, p. 5, lines 7-8; see also 6/24/08 Office action, p. 6 line 19 – p. 7, line 2) The Examiner has not established a *prima facie* case of anticipation because the Examiner has not specified where Biddle discloses either (a) a program module

6

that comprises executable software code or (b) storing a licensing module and a program module at different locations.

Although Biddle states in cited paragraph 0055, "In an alternative exemplary embodiment, a vendor purchases a software licensing system (SLS)", Biddle does not disclose that the license and the software product are stored in different locations. Where a vendor purchases a licensing system, both the license and the software product are stored at the vendor's distribution point. In this embodiment, the vendor assumes the role of a distributor "by purchasing a licensing system from a distributor 25 and carrying out the function of distributing software products directly to the user rather than giving the software product back to the distributor for distribution" (Biddle, paragraph [0053]) (emphasis added). Thus, in this embodiment, the vendor has become his own distributor, both managing the licensing and storing the software. In this embodiment, the user obtains the software application and the license from the same location. Thus, this embodiment of Biddle does not disclose storing a program module at a location other than a software distribution point.

Because the Examiner has not shown that Biddle discloses either (a) a program module comprising executable software code, or (b) storing a licensing module and a program module at different locations, the rejection of claim 18 should be overruled.

Claims 19-25 depend directly or indirectly from claim 18 and are allowable for at least the same reasons for which claim 18 is allowable.

B. Claims 1-5 (2nd ground of rejection)

In the Office Action, the Examiner rejected claims 1-5 under 35 USC §103(a) as being unpatentable over Biddle in view of Hayes. Claim 1 is independent.

The rejection of claim 1 should be overruled because (a) neither Biddle nor Hayes teaches the recited licensing module and (b) the Examiner has pointed to no suggestion or motivation in the cited references to combine one with the other.

Claim 1 recites, "a <u>licensing module for giving</u> each said customer terminal computer <u>permission to download a program module</u> to said customer terminal computer, said <u>licensing module</u> consisting of an executable software application being <u>executed on each said customer terminal computer</u>" (emphasis added).

The Examiner admits that Biddle fails to teach the recited licensing module. (Office Action, page 7, lines 2-3; <u>see also</u> 6/24/08 Office action, p. 8, lines 17-18) The Examiner cites paragraph 0013 of Hayes as teaching a "licensing module means for giving each the customer terminal computer permission to download a program module" (Office Action, page 7, lines 7-8; <u>see also</u> 6/24/08 Office action, p. 9, lines 1-2). Although paragraph 0013 of Hayes teaches a desktop object that is downloaded to a user station, the <u>desktop object controls the interface between the user and the user's station</u>. The desktop object does not include executable software that gives the user's station permission to download applications. Instead, Hayes uses a simple list to give permission to download applications on the list. Paragraph 0013 of Hayes states,

> "[T]he server stores a plurality of user <u>applications for downloading</u> to user stations and further stores access permissions for the applications for each user. . . . A <u>desktop object</u> is then downloaded to the user station to <u>control the interface between the user and the user's station</u>. The server also <u>downloads to the station a list of applications</u> to which the user has access permission. The user station <u>uses the list</u> to build a folder containing only the <u>applications from the list</u> to which the user has access permission." (Hayes, paragraph 0013) (emphasis added).

The server in Hayes <u>downloads</u> to the user's station <u>a list</u> of applications <u>to which the user has access permission</u>. Hayes does not teach that the list is executed on the customer computer. Thus, Hayes does not disclose a licensing module for giving permission to download software, in which the module is executed on the customer computer.

In the Examiner's Answer, the Examiner states that Hayes teaches a licensing management platform. (Examiner's Answer, p. 11, lines 6-7) But the

Examiner does not state that Hayes teaches a licensing module consisting of software executing on a user's station that gives permission to download a program module.

In the Examiner's Answer, the Examiner does not rebut Appellants' contention that there is no adequate motivation to combine the teachings of Hayes and Biddle. The Office Action states that it would have been obvious to modify the teachings of Biddle to include the teachings of Hayes "because this would have ensure [sic] greater security of the system" (Office Action, page 7, lines 15-16; see also 6/24/08 Office action, p. 9, lines 10-11). The Office Action does not indicate, however, where either Biddle or Hayes suggests combining the access permission list (no licensing module is taught) of Hayes with the system of managing licenses of Biddle. It is not clear how combining the permission list of Hayes with Biddle would ensure greater "security" of the system of Biddle. Biddle concerns protection against tampering and software piracy after software has been delivered to the end-user's platform. (Biddle, paragraph 0010) Hayes does not concern "security" against tampering and piracy, but rather limits the access to particular software by workers in a corporate environment. It is not clear how the permission list of Hayes would ensure greater security than that already provided by the system of Biddle.

Because the Examiner has admitted that Biddle fails to teach the recited licensing module and because the Examiner has not shown that Hayes teaches the recited licensing module, the rejection of claim 1 should be overruled. In addition, the rejection of claim 1 should be overruled because the Examiner has not identified an adequate motivation to combine the teachings of the Biddle and Hayes.

Claims 2-5 depend directly or indirectly from claim 1 and are allowable for at least the same reasons for which claim 1 is allowable.
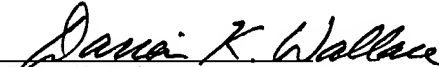
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IV. CONCLUSION

The Examiner has failed to established a *prima facie* case of anticipation with respect to claims 10 and 18 or a *prima facie* case of obviousness with respect to claim 1. Biddle does not disclose a licensing module whose execution is required prior to the distribution of the program module. Moreover, Biddle discloses neither (a) a program module that comprises executable software code, nor (b) storing a licensing module and a program module at different locations. Finally, with respect to claim 1, neither Biddle nor Hayes teaches the recited licensing module, and the Examiner has pointed to no motivation in the cited references to combine one with the other.

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10